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LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA

BASIC FINANCIAL STATEMENTS

AS OF AND FOR THE YEAR ENDED
JUNE 30, 2008

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 12/17/08

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2008**

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MARY SUE STAGES, CPA
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Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT ACCOUNTANTS' REPORT

To the Board Members of the
Louisiana Board of Veterinary Medicine
263 Third Street, Suite 104
Baton Rouge, Louisiana 70801

We have reviewed the accompanying basic financial statements of the business-type activities of the Louisiana Board of Veterinary Medicine, a component unit of the State of Louisiana, as of and for the year ended June 30, 2008, as listed in the table of contents. These basic financial statements are the responsibility of the Louisiana Board of Veterinary Medicine's management.

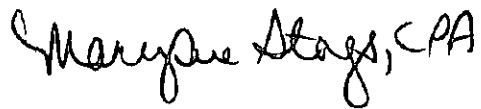
Our review was conducted in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards* issued by the Comptroller General of the United States of America. A review consists principally of inquiries of Board personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States.

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated August 13, 2008, on the results of our agreed-upon procedures.

The accompanying supplemental information listed in the table of contents under Supplemental Schedules and Information and Other Required Supplementary Information is presented for purposes of

– additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, but were compiled from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or any other form of assurance on the supplementary information.



Mary Sue Stages, CPA
A Professional Accounting Corporation
August 13, 2008

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
STATEMENT OF NET ASSETS
JUNE 30, 2008**

	<u>Business-type Activities</u>
ASSETS	
Current Assets	
Cash and cash equivalents	\$ 218,295.58
Non-Current Assets	
Investments	152,084.00
Capital assets, net of accumulated depreciation:	
Office equipment and furnishings	819.70
Total Non-Current Assets	<u>152,903.70</u>
TOTAL ASSETS	<u><u>371,199.28</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	396.28
Payroll taxes payable	777.51
Accrued salaries payable	711.84
Total Current Liabilities	<u>1,885.63</u>
Non-Current Liabilities	
Compensated absences payable	6,436.58
Other post-employment benefits plan payable	61,100.00
Total Non-Current Liabilities	<u>67,536.58</u>
Total Liabilities	<u>69,422.21</u>
NET ASSETS	
Invested in capital assets, net of related debt	819.70
Unrestricted	300,957.37
Total Net Assets	<u><u>301,777.07</u></u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>371,199.28</u></u>

See Accountants' Report

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2008**

	Business-type Activities
OPERATING REVENUES	
Licenses and other fees	\$ 301,685.00
Exam and course fees	20,225.00
Total Operating Revenues	<u>321,910.00</u>
OPERATING EXPENSES	
Professional services	155,061.13
Meetings, conferences and travel	3,976.88
Salaries and related benefits	131,980.58
General and administrative expenses	47,224.38
Depreciation	20.00
Total Operating Expenses	<u>338,262.97</u>
Operating Loss	(16,352.97)
NON-OPERATING REVENUES (EXPENSES)	
Interest income	17,518.52
Sales and services	766.75
Other fines/fees	19,377.29
Total Non-Operating Revenues (Expenses)	<u>37,662.56</u>
Change in Net Assets	21,309.59
Total Net Assets, beginning	326,467.48
Prior period adjustment - other post-employment benefits plan	<u>(46,000.00)</u>
Total Net Assets, ending	<u><u>301,777.07</u></u>

See Accountants' Report

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2008**

	<u>Business-type Activities</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 321,910.00
Cash paid to suppliers for goods and services	(206,535.48)
Cash paid to employees for services	<u>(114,121.65)</u>
Net Cash Provided by Operating Activities	1,252.87
 CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Proceeds from sales and other sources	<u>20,144.04</u>
Net Cash Provided by Non-Capital Financing Activities	20,144.04
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	<u>(839.70)</u>
Net Cash Used in Capital and Related Financing Activities	(839.70)
 CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of certificates of deposit	(300,000.00)
Proceeds from certificates of deposit redeemed	300,000.00
Interest earned on certificates of deposit	<u>17,518.52</u>
Net Cash Provided by Investing Activities	<u>17,518.52</u>
 Net Increase in Cash and Cash Equivalents	38,075.73
 Cash and Cash Equivalents, beginning of year	<u>180,219.85</u>
 Cash and Cash Equivalents, end of year	<u><u>218,295.58</u></u>

Continued

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
STATEMENT OF CASH FLOWS (Continued)
YEAR ENDED JUNE 30, 2008**

	<u>Business-type Activities</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating loss	\$ (16,352.97)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	20.00
Increase (decrease) in liabilities:	
Accounts payable	(273.09)
Payroll taxes payable	777.51
Accrued salaries payable	344.84
Compensated absences payable	1,636.58
Other post-employment benefits plan payable	<u>15,100.00</u>
Net Cash Provided by Operating Activities	<u><u>1,252.87</u></u>

See Accountants' Report

SUPPLEMENTAL SCHEDULES AND INFORMATION

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED JUNE 30, 2008**

	<u>Budgeted</u>		<u>Actual</u>	Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
OPERATING REVENUES				
Licenses and other fees	\$ 277,585.00	\$ 277,585.00	\$ 301,685.00	\$ 24,100.00
Exam and course fees	17,430.00	17,430.00	20,225.00	2,795.00
Total Operating Revenues	295,015.00	295,015.00	321,910.00	26,895.00
OPERATING EXPENSES				
Professional services	141,600.00	141,600.00	155,061.13	(13,461.13)
Meetings, conferences and travel	6,650.00	6,650.00	3,976.88	2,673.12
Salaries and related benefits	100,596.00	100,596.00	131,980.58	(31,384.58)
General and administrative expenses	42,950.00	42,950.00	47,224.38	(4,274.38)
Depreciation	300.00	300.00	20.00	280.00
Total Operating Expenses	292,096.00	292,096.00	338,262.97	(46,166.97)
Operating Income (Loss)	2,919.00	2,919.00	(16,352.97)	(19,271.97)
NON-OPERATING REVENUES (EXPENSES)				
Interest income	7,500.00	7,500.00	17,518.52	10,018.52
Sales and services	600.00	600.00	766.75	166.75
Other fines/fees	9,000.00	9,000.00	19,377.29	10,377.29
Total Non-Operating Revenues (Expenses)	17,100.00	17,100.00	37,662.56	20,562.56
Change in Net Assets	20,019.00	20,019.00	21,309.59	1,290.59
Fund Balances, beginning	326,467.48	326,467.48	326,467.48	-
Prior period adjustment	-	-	(46,000.00)	(46,000.00)
Fund Balances, ending	346,486.48	346,486.48	301,777.07	(44,709.41)

See Accountants' Report

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2008**

In compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature, this schedule of per diem paid to board members is presented for the year ended June 30, 2008.

Name

Bernard, Dr. Patrick	\$ 600.00
Green, Dr. William	600.00
Landry, Dr. Mica	450.00
Prejean, Dr. John C.	600.00
Robbins, Dr. Brent.	300.00
Slaton, Dr. Steve V.	<u>150.00</u>
Total	<u>2,700.00</u>

See Accountants' Report

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Louisiana Society of Certified Public Accountants
American Institute of Certified Public Accountants
Association of Governmental Accountants
Governmental Audit Quality Control Center

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Board Members of the
Louisiana Board of Veterinary Medicine
263 Third Street, Suite 104
Baton Rouge, Louisiana 70801

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Louisiana Board of Veterinary Medicine and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Board's compliance with certain laws and regulations during the year ended June 30, 2008, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures in excess of \$20,000 for material and supplies or \$100,000 for public works made during the year.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management in agreed-upon procedure (3) appeared on the list provided by management in agreed-upon procedure (2).

Budgeting

5. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget. There were no amendments to the budget during the year.

6. Trace the budget adoption and amendments to the minute book.

We traced the adoption of the original budget to the minutes of a regular meeting.

7. Compare the revenues and expenditures of the final budget to actual expenditures to determine if actual expenditures exceeded budgeted amounts by 10% or more per category or 5% or more in total.

We compared the expenditures of the final budget to actual expenditures. Expenditures for the year did exceed budgeted amounts by 10% in total (\$31,067) and 16% in salaries and related benefits (\$16,285). This was caused by an error in addition while computing annual salaries and also because of increase in retirement contributions from 17% to 20.4%. The salaries approved by the Board reconciled to the salaries actually paid.

Accounting and Reporting

8. Randomly select six disbursements made during the period under examination and:

(a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

(b) determine if payments were properly coded to the correct fund and general ledger account; and

All six of the payments were coded to the correct fund and general ledger account.

(c) determine whether payments received approval from proper authorities.

Inspection of documentation supporting each of the six selected disbursements indicated approvals from the Director and Board where applicable.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

The Board is required to post a notice of each meeting and the accompanying agenda. Management has asserted that such documents were properly posted.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds or like indebtedness.

We inspected copies of all bank deposit slips for the period under examination and noted no deposits that appeared to be proceeds of bank loans, bonds or like indebtedness.

Advances and Bonuses

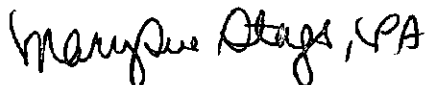
11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees that may constitute bonuses, advances or gifts.

A reading of the minutes of the Board for the year indicated no approval for the payments noted. We also inspected payroll records for the year and noted no instances that would indicate payments to employees that would constitute bonuses, advances or gifts.

The prior year report, dated August 24, 2007, did not include any comments or unresolved matters.

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Board and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under LSA-RS 24:513, this report is distributed by the Legislative Auditor as a public document.



Mary Sue Stages, CPA
A Professional Accounting Corporation
August 13, 2008

LOUISIANA COMPLIANCE QUESTIONNAIRE
(For Audit Engagements of Governmental Entities)

July 1, 2008 (Date Transmitted)

Mary Sue Stages, CPA

PO Box 30

Baker, LA 70704-0030

(Auditors)

In connection with your audit of our financial statement as of June 30, 2008
and for July 1, 2007 - June 30, 2008 (period of audit)
for the purpose of expressing an opinion as to the fair presentation of our financial statements in
accordance with generally accepted accounting principles, to assess our system of internal
control as part of your audit, and to review our compliance with applicable laws and regulations,
we confirm, to the best of our knowledge and belief, the following representations. These
representations are based on the information available to us as of
July 1, 2008 (date completed/date of the representation).

PART I. AGENCY PROFILE

1. Name and address of the organization.

Louisiana Board of Veterinary Medicine
263 Third Street, Ste 104
Baton Rouge, LA 70801

2. List the population of the municipality or parish based upon the last official United States
census or most recent official census (municipalities and police juries only). Include the source
of the information.

N/A

3. List names, addresses, and telephone numbers of entity officials. [Include elected/
appointed members of the governing board, chief executive and fiscal officer, and legal counsel.
See attached.

4. Period of time covered by this questionnaire:

July 1, 2007 - June 30, 2008

5. The entity has been organized under the following provisions of the Louisiana Revised
Statute(s) (LSA-RS) and, if applicable, local resolutions/ordinances.

LSA- RS 37:1511-1558

6. Briefly describe the public services provided:

Examination, licensing, and on-going regulation of persons who practice
veterinary medicine, register as veterinary technicians and equine dentists,
and who become certified as animal euthanasia technicians. Board responds
to and investigates complaints related to licensees and the illegal practice of
veterinary medicine.

7. Expiration date of current elected/appointed officials terms.

See attached.

LEGAL COMPLIANCE

PART II. PUBLIC BID LAW

8. The provisions of the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office have been complied with.

- A) All public works purchases exceeding \$100,000 have been publicly bid.
- B) All material and supply purchases exceeding \$15,000 have been publicly bid.

Yes ☒ No ☐

PART III. CODE OF ETHICS LAW FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES

9. It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

10. It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

PART IV. LAWS AFFECTING BUDGETING

11. We have complied with the budgeting requirements of the Local Governmental Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

A. Local Budget Act

1. We have adopted a budget for the General Fund and all special revenue funds (LSA-RS 39:1301).

2. The chief executive officer, or equivalent, has prepared a proposed budget that included a budget message, a proposed budget for the General Fund and each special revenue fund, and a budget adoption instrument that specified the chief executive's authority to make budgetary amendments without approval of the governing authority. Furthermore, the proposed expenditures did not exceed estimated funds to be available during the period (LSA-RS 39:1304).

3. The proposed budget was submitted to the governing authority and made available for public inspection at least 15 days prior to beginning of the budget year (LSA-RS 39:1305).

4. To the extent that proposed expenditures were greater than \$250,000, we have made the budget available for public inspection and have advertised its availability in our official journal. The advertisement included the date, time, and place of the public hearing on the budget. Notice has also been published certifying that all actions required by the Local Government Budget Act have been completed (LSA-RS 39:1306).

5. The proposed budget was made available for public inspection at the location required by LSA-RS 39:1307.

6. All action necessary to adopt and finalize the budget was completed prior to year end. The adopted budget contained the same information as that required for the proposed budget [LSA-RS 39:1304(c)].

7. After adoption, a certified copy of the budget has been retained by the chief executive officer or equivalent officer (LSA-RS 39:1308).

8. The chief executive officer or equivalent notified in writing the governing authority during the year when actual receipts plus projected revenue collections for the year failed to meet budgeted revenues by five percent or more, or when actual expenditures plus projected

expenditures to year end exceeded budgeted expenditures by five percent or more (LSA-RS 39:1310). (Note, state law exempts from the amendment requirements special revenue funds with anticipated expenditures of \$250,000 or less and exempts special revenue funds whose expenditures drive revenue recognition-primarily federal funds.)

9. The governing authority has amended its budget when notified, as provided by LSA-RS 39:1310 (LSA-RS 39:1309).

N/A Yes ☐ No ☐

B. State Budgeted Requirements

1. The state agency has complied with the budgetary requirements of LSA-RS 39:34.

N/A Yes ☐ No ☐

C. Licensing Boards

1. The licensing board has complied with the budgetary requirements for R. S. 39:1331-1342.

Yes ☒ No ☐

PART V. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING LAWS

12. We have maintained our accounting records in such a manner as to provide evidence of legal compliance and the preparation of annual financial statements to comply with LSA-RS 24:514, 24:515, and/or 33:463.

Yes ☒ No ☐

13. All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

14. We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

15. We have had our financial statements audited in a timely manner in accordance with LSA-RS 24:513.

Yes ☒ No ☐

PART VI. ASSET MANAGEMENT LAWS

16. We have maintained records of our general fixed assets and moveable property, as required by LSA-RS 24:515 and/or 39:321-332, as applicable.

Yes ☒ No ☐

PART VII. FISCAL AGENCY AND CASH MANAGEMENT LAWS

17. We have complied with the fiscal agency and cash management requirements of LSA-RS 39:1211-45 and 49:301-327, as applicable.

Yes ☒ No ☐

PART VIII. DEBT RESTRICTION LAWS

18. It is true we have not incurred any long-term indebtedness without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes ☒ No ☐

19. We have complied with the debt limitation requirements of state law (LSA-RS 39:562).

Yes ☒ No ☐

20. We have complied with the reporting requirements relating to the Fiscal Review Committee of the State Bond Commission (LSA-RS 39:1351).

Yes ☒ No ☐

PART IX. REVENUE AND EXPENDITURE RESTRICTION LAWS

21. We have restricted the collections and expenditures of revenues to those amounts authorized by Louisiana statutes, tax propositions, and budget ordinances.

Yes ☒ No ☐

22. It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes ☒ No ☐

23. It is true that no property or things of value have been loaned, pledged, or granted to anyone in violation of Article VII, Section 14 or the 1974 Louisiana Constitution.

Yes ☒ No ☐

PART X. QUESTIONS FOR SPECIFIC GOVERNMENTAL UNITS

Police Juries

24. We have adopted a system of road administration that provides as follows:

- A. Approval of the governing authority of all expenditures, LSA-RS 48:754(A).
- B. Development of a capital improvement program on a selective basis, LSA-RS 48:754(A)&(B).
- C. Centralized purchasing of equipment and supplies, LSA-RS 48:754(A).
- D. Centralized accounting, LSA-RS 48:754(A).
- E. A construction program based on engineering plans and inspections, LSA-RS 48:754(A)&(B).
- F. Selective maintenance program, LSA-RS 48:754(A)&(B).
- G. Annual certification of compliance to the legislative auditor, LSA-RS 48:757(C).

Yes ☐ No ☐

School Boards

25. We have complied with the general statutory, constitutional, and regulatory provision of the Louisiana Department of Education, LSA-RS 17:51-401.

Yes ☐ No ☐

26. We have complied with the regulatory circulars issued by the Louisiana Department of Education that govern the Minimum Foundation Program.

Yes ☐ No ☐

Tax Collectors

27. We have complied with the general statutory requirements of LSA-RS 47, Chapter 4.

Yes ☐ No ☐

Sheriffs

28. We have complied with the state supplemental pay regulations of LSA-RS 33:2218.8.

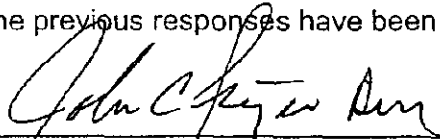
Yes ☐ No ☐

Other Special Districts

52. We have complied with those specific statutory requirements of state law applicable to our district.

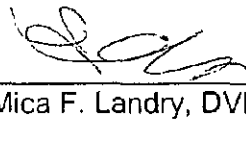
Yes [] No []

The previous responses have been made to the best of our belief and knowledge.



John C. Prejean, DVM, Secretary-Treasurer

Date 6/30/08



Mica F. Landry, DVM, President

Date 6/30/08

OTHER REQUIRED SUPPLEMENTARY INFORMATION

**LOUISIANA BOARD OF VETERINARY MEDICINE
DEPARTMENT OF HEALTH AND HOSPITALS
STATE OF LOUISIANA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
JUNE 30, 2008**

LOUISIANA'S COMPREHENSIVE ANNUAL FINANCIAL REPORT

As a component unit of the State of Louisiana, the financial statements of the Louisiana Board of Veterinary Medicine are included in Louisiana's Comprehensive Annual Financial Report. Following are the statements being submitted to the Division of Administration. The amounts recorded have been subjected to the same review procedures as those recorded in the accompanying financial statements.

LOUISIANA STATE BOARD OF VETERINARY MEDICINE
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2008

C O N T E N T S

	Statements
Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities	C
Statement of Cash Flows	D
Notes to the Financial Statements	
A. Summary of Significant Accounting Policies	
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**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
BALANCE SHEET
AS OF JUNE 30, 2008**

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$	218,296
Investments		
Receivables (net of allowance for doubtful accounts)(Note U)		
Due from other funds (Note Y)		
Due from federal government		
Inventories		
Prepayments		
Notes receivable		
Other current assets		
Total current assets		218,296

NONCURRENT ASSETS:

Restricted assets (Note F):		
Cash		
Investments		
Receivables		
Investments		152,084
Notes receivable		
Capital assets (net of depreciation)(Note D)		
Land		
Buildings and improvements		
Machinery and equipment		820
Infrastructure		
Construction in progress		
Other noncurrent assets		
Total noncurrent assets		152,904
Total assets	\$	371,199

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$	1,886
Due to other funds (Note Y)		
Due to federal government		
Deferred revenues		
Amounts held in custody for others		
Other current liabilities		
Current portion of long-term liabilities: (Note K)		
Contracts payable		
Compensated absences payable		
Capital lease obligations		
Claims and litigation payable		
Notes payable		
Bonds payable		
Other long-term liabilities		
Total current liabilities		1,886

NONCURRENT LIABILITIES: (Note K)

Contracts payable		
Compensated absences payable (Note K)		6,437
Capital lease obligations (Note J)		
Claims and litigation payable (Note K)		
Notes payable		
Bonds payable		
OPEB payable		61,100
Other long-term liabilities		
Total noncurrent liabilities		67,537
Total liabilities		69,422

NET ASSETS

Invested in capital assets, net of related debt		820
Restricted for:		
Capital projects		
Debt service		
Unemployment compensation		
Other specific purposes		
Unrestricted		300,957
Total net assets		301,777
Total liabilities and net assets	\$	371,199

The accompanying notes are an integral part of this financial statement.
Statement A

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2008**

OPERATING REVENUES	
Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	321,910
Other	_____
Total operating revenues	321,910
OPERATING EXPENSES	
Cost of sales and services	_____
Administrative	338,243
Depreciation	20
Amortization	_____
Total operating expenses	338,263
Operating income(loss)	(16,353)
NON-OPERATING REVENUES(EXPENSES)	
State appropriations	_____
Intergovernmental revenues(expenses)	_____
Taxes	_____
Use of money and property	17,519
Gain on disposal of fixed assets	_____
Loss on disposal of fixed assets	_____
Federal grants	_____
Interest expense	_____
Other revenue	20,144
Other expense	_____
Total non-operating revenues(expenses)	37,663
Income(loss) before contributions, extraordinary items, and transfers	21,310
Capital contributions	_____
Extraordinary item - Loss on impairment of capital assets	_____
Transfers in	_____
Transfers out	_____
Change in net assets	21,310
Total net assets – beginning	326,467
Prior period adjustment - other post-employment benefits plan	(46,000)
Total net assets – ending	\$ 301,777

The accompanying notes are an integral part of this financial statement.

Statement B

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2008

		Program Revenues		
		Operating	Capital	Net (Expense)
	Expenses	Charges for	Grants and	Revenue and
		Services	Contributions	Changes in
			Contributions	Net Assets
Entity	\$ 338,263	\$ 321,910	\$	\$ (16,353)
General revenues:				
Taxes				
State appropriations				
Grants and contributions not restricted to specific programs				
Interest				17,519
Miscellaneous				20,144
Special items				
Extraordinary item - Loss on impairment of capital assets				
Transfers				
Total general revenues, special items, and transfers				37,663
Change in net assets				21,310
Net assets - beginning as restated				280,467
Net assets - ending				\$ 301,777

The accompanying notes are an integral part of this statement.

Statement C

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008

Cash flows from operating activities		
Cash received from customers	\$ 321,910	
Cash payments to suppliers for goods and services	(206,535)	
Cash payments to employees for services	(114,122)	
Payments in lieu of taxes		
Internal activity-payments to other funds		
Claims paid to outsiders		
Other operating revenues(expenses)		
Net cash provided(used) by operating activities		1,253
Cash flows from non-capital financing activities		
State appropriations		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Other	20,144	
Net cash provided(used) by non-capital financing activities		20,144
Cash flows from capital and related financing activities		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets	(840)	
Proceeds from sale of capital assets		
Capital contributions		
Other		
Net cash provided(used) by capital and related financing activities		(840)
Cash flows from investing activities		
Purchases of investment securities	(300,000)	
Proceeds from sale of investment securities	300,000	
Interest and dividends earned on investment securities	17,519	
Net cash provided(used) by investing activities		17,519
Net increase(decrease) in cash and cash equivalents		38,076
Cash and cash equivalents at beginning of year		180,219.85
Cash and cash equivalents at end of year	\$	218,296

Statement D (continued)

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2008**

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$	(16,353)
Adjustments to reconcile operating income(loss) to net cash			
Depreciation/amortization	20		
Provision for uncollectible accounts			
Other			
Changes in assets and liabilities:			
(Increase)decrease in accounts receivable, net			
(Increase)decrease in due from other funds			
(Increase)decrease in prepayments			
(Increase)decrease in inventories			
(Increase)decrease in other assets			
Increase(decrease) in accounts payable and accruals	849		
Increase(decrease) in compensated absences payable	1,637		
Increase(decrease) in due to other funds			
Increase(decrease) in deferred revenues			
Increase(decrease) in OPEB payable	15,100		
Increase(decrease) in other liabilities			
Net cash provided(used) by operating activities		\$	<u>1,253</u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	\$	
Contributions of fixed assets		
Purchases of equipment on account		
Asset trade-ins		
Other (specify)		
Total noncash investing, capital, and financing activities:	\$	<u>-</u>

The accompanying notes are an integral part of this statement.

Statement D (concluded)

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

INTRODUCTION

The Louisiana State Board of Veterinary Medicine, hereinafter referred to as the Board, was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 37:1515. The following is a brief description of the operations of the Board which includes the parish/parishes in which the Board is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Board present information only as to the transactions of the programs of the Board as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Board are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Board are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

	APPROPRIATIONS
Original approved budget	\$ 292,096
Amendments:	
Final approved budget	\$ 292,096

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Board may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Board may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by the three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2008, consisted of the following:

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

	<u>Cash</u>	<u>Nonnegotiable Certificates of Deposit</u>	<u>Other (Describe)</u>	<u>Total</u>
Balance per agency books	\$ 218,296	\$	\$	\$ 218,295.58
Deposits in bank accounts per bank	\$ 186,226	\$	\$	\$ 186,225.58
Bank balances of deposits exposed to custodial credit risk:				
a. Deposits not insured and uncollateralized	\$	\$	\$	\$ -
b. Deposits not insured and collateralized with securities held by the pledging institution.	\$	\$	\$	\$ -
c. Deposits not insured and collateralized with securities held by the pledging institution's trust department or agency but not in the entity's name.	\$	\$	\$	\$ -

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Balance per agency books" due to outstanding items.

The following is a breakdown by banking institution, program, account number, and amount of the "Deposits in bank accounts per bank" balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. Chase Bank	Operatings	\$ 186,226
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
Total		\$ 186,226

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	\$ _____
Petty cash	\$ _____

2. INVESTMENTS

The Board does maintain investment accounts as authorized by La. R.S. 33:2955.

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the table on the next page, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by the three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

The Board's only investments are certificates of deposit with maturities of greater than three months. None are considered at risk.

3. DERIVATIVES

N/A

4. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

N/A

5. POLICIES

The Board's policy is to invest only in time deposits in which the value is fully insured.

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

N/A

D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

	Year ended June 30, 2008					
	Balance 6/30/2007	Prior Period Adjustment	Adjusted Balance 6/30/2007	Additions	Transfers*	Balance 6/30/2008
Capital assets not being depreciated						
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-depreciable land improvements	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-
Total capital assets not being depreciated	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other capital assets						
Machinery and Equipment	9,704	-	9,704	840	-	10,543
Less accumulated depreciation	(9,704)	-	(9,704)	(20)	-	(9,724)
Total furniture, fixtures, and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>820</u>	<u>-</u>	<u>820</u>
Buildings and improvements	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-
Total buildings and improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Depreciable land improvements	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-
Total depreciable land improvements	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Infrastructure	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-
Total infrastructure	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>820</u>	<u>-</u>	<u>820</u>
Capital Asset Summary:						
Capital assets not being depreciated	-	-	-	-	-	-
Other capital assets, at cost	9,704	-	9,704	840	-	10,543
Total cost of capital assets	<u>9,704</u>	<u>-</u>	<u>9,704</u>	<u>840</u>	<u>-</u>	<u>10,543</u>
Less accumulated depreciation	(9,704)	-	(9,704)	(20)	-	(9,724)
Capital assets, net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 820</u>	<u>\$ -</u>	<u>\$ 820</u>

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

E. INVENTORIES

N/A

F. RESTRICTED ASSETS

N/A

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008**

G. LEAVE

1. COMPENSATED ABSENCES

The Board has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations. Compensated absences were \$6,436, \$4,800 and \$4,800 at June 30, 2008, 2007 and 2006, respectively.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. There was no accrued compensatory leave time at June 30, 2008.

H. RETIREMENT SYSTEM

Substantially all of the employees of the Board are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time Board employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2007 Financial Statements, specifically,

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://www.lasers.state.la.us/PDFs/Publications_and_Reports/Fiscal_Documents/Comprehensive_Financial_Reports/Comprehensive%20Financial%20Reports_07.pdf

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the Board is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2008, increased to 20.4% of annual covered payroll from the 19.1% and 17% required in fiscal years ended June 30, 2007 and 2006 respectively. The Board's contributions to the System for the years ending June 30, 2008, 2007, and 2006, were \$17,420, \$13,607 and \$16,471, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS

The Board may provide certain continuing health care and life insurance benefits for its retired employees through the Louisiana Office of Group Benefits. Substantially all of the Board's employees become eligible for those benefits if they reach normal retirement age while working for the Board and were covered by the Board's active medical plan immediately prior to retirement. Those benefits include joint payment of monthly premiums for the coverage provided.

Plan Description. The State of Louisiana's Other Post-Employment Benefit Plan (OPEB Plan) is an agent multiple-employer plan administered by the Louisiana Office of Group Benefits (OGB). There are three plans available to eligible retirees for health care – OGB Preferred Provider Organization (PPO), Humana Health Maintenance Organization (HMO) and United Exclusive Provider Organization (EPO). Participants eligible for Medicare coverage can choose one of two OGB Medicare Advantage Plans, either an HMO or private fee-for-service (PFFS) plan. Life insurance benefits include basic term life, basic plus supplemental term life, dependent term life and employee accidental death and dismemberment coverage. The policy is underwritten by The Prudential Insurance Company of America.

LRS 42:801-883 provides for the authority under which benefit provisions are established and may be amended. The OGB does not issue a stand-alone report; however, it is included in the Louisiana Comprehensive Annual Financial Report (CAFR). The CAFR may be obtained from Office of Statewide Reporting and Accounting Policy's website at www.doa.la.gov/osrap, writing to P. O. Box 94095, Baton Rouge, LA 70804-9095 or by calling 225-342-0708.

Funding Policy. LRS 42:801-883 provides for the authority under which the obligations of the plan members and the system are established and may be amended. For employees hired prior to January 1, 2002, the cost of coverage is shared 25% by the participant and 75% by the Board with the exception of single retirees under age 65. He/she must pay 25% of the active employee cost. Employees hired on or after January 1, 2002, pay a percentage of the total contribution rate based on his/her years of service at retirement (under 10 yrs. – 81%; 10-14 yrs. – 62%; 15-19 yrs. – 44%; 20+ yrs. – 25%). A lifetime maximum for healthcare benefits is set at \$5,000,000 for the PPO, HMO and EPO plans. The retiree must pay 50% of the life insurance premiums for him or herself and 88% for his/her spouse. Maximum coverage is capped at \$50,000.

Premiums paid for healthcare coverage vary depending on the plan chosen. For the year ended June 30, 2008, this amount ranges from \$34 to \$92 per month for single members with Medicare or \$126 to \$170 per month without Medicare. The Board contributes anywhere from \$103 to \$237 per month (with Medicare) or \$809 to \$842 (without Medicare) on behalf of the retiree for this coverage. Premiums paid for retiree and spouse range from \$69 to \$165 per month for those with Medicare or \$408 to \$493 per month for those without Medicare. For this coverage, the Board contributes from \$207 to \$427 (with Medicare) or \$1,242 to \$1,293 (without Medicare). The rates for retirees with children are slightly higher than the single rates and family coverage is slightly higher than the retiree/spouse rates. The plan is currently financed on a pay-as-you-go basis by the Board.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

OPEB Cost/Obligation. The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. A level percentage of payroll amortization method, open period, was used. The total ARC for the year beginning July 1, 2007, is as follows:

Normal cost	\$ 12,200
30 year UAL amortization amount	<u>2,900</u>
Annual Required Contribution (ARC)	<u>15,100</u>

The Board's OPEB obligation for the year ended June 30, 2008, is as follows:

Annual required contribution/OPEB Cost	\$ 15,100
Contributions made	<u>-0-</u>
Change in Net OPEB Obligation	15,100
Net OPEB obligation, beginning	<u>46,000</u>
Net OPEB obligation, ending	<u>61,100</u>

Utilizing the pay-as-you-go method, the Board contributed 0% of the annual post-employment benefits cost during the current year. Because this is the first year of implementation, information for prior years is not presented.

Funding Status and Funding Progress. As of June 30, 2008, the Board had not made any contributions to its post-employment benefits plan trust. A trust was established during the current year but was not funded. Thus, it has no plan assets and a funding ratio of zero. Funding status and progress is summarized below.

Unfunded actuarial accrued liability (UAAL)	\$ 61,100
Covered payroll (active employees)	116,881
UAAL as a percentage of covered payroll	52%

Actuarial Methods/Assumptions. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial method and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2007 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4% investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 9.5% and 10.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at July 1, 2007, was thirty years.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year 06/08 amounted to \$20,585. A schedule of payments for operating leases follows:

<u>Nature of lease</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014- 2018</u>	<u>FY 2019- 2023</u>
Office Space	\$ 17,976	\$ 17,976	\$ 17,976	\$ 17,976	\$ 1,498	\$	\$
Equipment	2,609						
Land							
Other							
Total	\$ 20,585	\$ 17,976	\$ 17,976	\$ 17,976	\$ 1,498	\$ -	\$ -

2. CAPITAL LEASES

Capital leases are not recognized in the accompanying financial statements.

4. LESSOR – OPERATING LEASE

N/A

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2008:

	<u>Year ended June 30, 2008</u>			<u>Balance June 30, 2008</u>	<u>Amounts due within one year</u>
	<u>Balance June 30, 2007</u>	<u>Additions</u>	<u>Reductions</u>		
Notes and bonds payable:					
Notes payable	\$	\$	\$	\$ --	\$
Bonds payable				--	
Total notes and bonds	--	--	--	--	--
Other liabilities:					
Contracts payable				--	
Compensated absences payable	4,800	5,498	3,862	6,437	--
Capital lease obligations				--	
Claims and litigation				--	
OPEB payable	46,000	15,100	--	61,100	
Other long-term liabilities				--	
Total other liabilities	50,800	20,598	3,862	67,537	--
Total long-term liabilities	\$ 50,800	\$ 20,598	\$ 3,862	\$ 67,537	\$ --

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

L. CONTINGENT LIABILITIES

N/A

M. RELATED PARTY TRANSACTIONS

N/A

N. ACCOUNTING CHANGES

N/A

O. IN-KIND CONTRIBUTIONS

N/A

P. DEFEASED ISSUES

N/A

Q. REVENUES – PLEDGED OR SOLD (GASB 48)

N/A

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

N/A

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

N/A

T. SHORT-TERM DEBT

N/A

U. DISAGGREGATION OF RECEIVABLE BALANCES

N/A

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2008, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
Operations	\$ 396	\$ 1,489	\$ -	\$ -	\$ 1,886
Total payables	\$ 396	\$ 1,489	\$ -	\$ -	\$ 1,886

W. SUBSEQUENT EVENTS

N/A

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
Notes to the Financial Statement
As of and for the year ended June 30, 2008

X. SEGMENT INFORMATION

N/A

Y. DUE TO/DUE FROM AND TRANSFERS

N/A

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

N/A

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

N/A

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB STATEMENT 46)

N/A

CC. IMPAIRMENT OF CAPITAL ASSETS

N/A

DD. EMPLOYEE TERMINATION BENEFITS

N/A

**STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
For the Year Ended June 30, 2008**

Name	Amount
Bernard, Dr. Patrick	\$ 600
Green, Dr. William	600
Landry, Dr. Mica	450
Prejean, Dr. John C.	600
Robbins, Dr. Brent	300
Slaton, Dr. Steve V.	150
	\$ 2,700

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

STATE OF LOUISIANA
LOUISIANA STATE BOARD OF VETERINARY MEDICINE
COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$1 million, explain the reason for the change.

	<u>2008</u>	<u>2007</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ 359,573	\$ 351,291	\$ 8,282	\$ 2%
Expenses	338,263	304,010	34,253	11%
2) Capital assets	820	-0-	820	> 100%
Long-term debt	61,100	-0-	61,100	> 100%
Net Assets	301,777	326,467	(24,690)	7%
Explanation for change:				

SCHEDULE 15